

Message Text

CONFIDENTIAL

PAGE 01 LONDON 16524 01 OF 02 181705Z

47

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-03 H-01 INR-05 L-02

NSAE-00 NSC-05 PA-01 RSC-01 PRS-01 SP-02 SS-15

USIA-06 SWF-01 AID-05 CEA-01 COME-00 EB-07 FRB-01

CIEP-01 STR-01 TRSE-00 LAB-04 SIL-01 SAM-01 OMB-01

/079 W

----- 101417

R 181631Z DEC 74

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 6689

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

USMISSION EC BRUSSELS

USMISSION OECD PARIS

AMCONSUL BELFAST

AMCONSUL EDINBURGH

AMCONSUL LIVERPOOL

C O N F I D E N T I A L SECTION 01 OF 02 LONDON 16524

E.O. 11652: GDS

TAGS: EEC, PFOR, PINT, UK

SUBJECT: HAROLD HOUDINI WILSON - EURO-MAN OF THE YEAR

SUMMARY - AFTER TYING HIMSELF UP WITH STRONG ANTI-EC
CHAINS AND LOCKING HIMSELF INTO A STEEL BOX CALLED
RENEGOTIATION, PRIME MINISTER WILSON IS NOW SLIPPING HIS
BONDS AND PREPARING TO EMERGE AS THE CHAMPION OF BRITISH
MEMBERSHIP OF THE COMMON MARKET. MANY DIFFICULTIES
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LONDON 16524 01 OF 02 181705Z

REMAIN TO BE SURMOUNTED AND THE LABOR PARTY IS SURE TO

STAGE ONE LAST MAJOR ROW ON THIS ISSUE, BUT OUR SOUNDINGS WITHIN THE PARTY INDICATE THAT AS THINGS NOW SHAPE UP, WILSON SHOULD BE ABLE TO CARRY HIS GOVERNMENT AND HIS PARTY WITH HIM. END SUMMARY

1. TWO QUESTIONS CENTRAL TO CONTINUED BRITISH MEMBERSHIP OF THE COMMON MARKET HAVE BEMUSED OBSERVERS SINCE THE OPENING OF THE LABOR GOVERNMENT'S MUCH-BALLYHOOED RENEGOTIATION: (A) AT THE END OF THE DAY, WOULD HAROLD WILSON ENDORSE THE RESULTS AND RECOMMEND THEM TO THE BRITISH ELECTORATE? (B) WOULD HE CARRY THE BRITISH LABOR PARTY WITH HIM? IN THE WAKE OF LAST WEEK'S EC SUMMIT, OUR SOURCES IN THE LABOR PARTY INDICATE FOR THE FIRST TIME THAT THE ANSWER TO BOTH QUESTIONS IS NOW A QUALIFIED YES.

2. FOR THE PAST FOUR YEARS, HAROLD WILSON HAS BEEN ENGAGED IN AN ELABORATE OFTTIMES DEVIOUS CAMPAIGN TO RECONCILE THE UNITY OF THE LABOR PARTY WITH THE UNITY OF THE EUROPEAN COMMUNITY. WHILE PRIME MINISTER FROM 1964-70, HE WAS CLEARLY COMMITTED TO TRYING TO GET BRITAIN INTO THE EC. WHEN HE LEFT DOWNING STREET, THE INITIATIVE FOR GAINING EC MEMBERSHIP NATURALLY PASSED TO THE NEW PRIME MINISTER, TED HEATH. AS HEATH CAME CLOSER AND CLOSER TO ACHIEVING THIS GOAL, RANK-AND-FILE SENTIMENT WITHIN THE LABOR PARTY GREW INCREASINGLY HOSTILE TO EC MEMBERSHIP. ALWAYS SEEKING TO REMAIN AT THE CENTER OF GRAVITY IN HIS PARTY, WILSON TOO PROGRESSIVELY SHIFTED HIS STANCE.

3. DURING 1971 AND 1972, THE BITTER STRUGGLE BETWEEN PRO- AND ANTI-MARKETEERS, TINGED AS IT WAS WITH IDEOLOGICAL OVERTONES, JOCKEYING FOR POLITICAL ADVANTAGE, AND THE SETTling OF OLD SCORES, THREATENED TO TEAR THE LABOR PARTY APART. AS LEADER, WILSON'S OVERRIDING CONCERN WAS TO HOLD THE PARTY TOGETHER. TO THIS END, HE DEvised A COMPROMISE FORMULA (RENEGOTIATION PLUS REFERENDUM), AND WITH THE INDISPENSABLE HELP OF THE POWERFUL TRADE UNION LEADER, JACK JONES, PERSUADED THE LABOR PARTY CONFERENCE IN OCTOBER 1972, TO ADOPT IT. THAT CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LONDON 16524 01 OF 02 181705Z

PROMISE HAS HELD UP EVER SINCE. IT WAS EMBODIED IN THE PARTY'S TWO ELECTION MANIFESTOES FOR 1974, DEFINES THE GROUND RULES FOR THE CURRENT CONTINUING STRUGGLE WITHIN THE PARTY, AND GOES FAR TOWARD EXPLAINING THE GOVERNMENT'S CONDUCT OF RENEGOTIATION WITH ITS EC PARTNERS.

4. THE ANTI-MARKETEERS HAVE NEVER TRUSTED WILSON. THEY WERE ALWAYS CONVINCED THAT HE REMAINED AT HEART A PRO-

MARKETEER, AND THAT ONCE BACK IN OFFICE HE WOULD SOMEHOW
CONTRIVE TO KEEP BRITAIN IN. ALTHOUGH THEY HAD THE VOTES
IN THE 1972 AND 1973 CONFERENCES TO COMMIT THE PARTY TO
WITHDRAW FROM THE EC, THEY STOPPED SHORT OF DOING SO
LEST THEY DRIVE THE PRO-MARKETEERS CLEAR OUT OF THE
PARTY AND IRRETRIEVABLY DAMAGE THEIR CHANCES OF WINNING
THE NEXT GENERAL ELECTION. THEY DID SEEK, HOWEVER, TO
BIND THE NEXT LABOR GOVERNMENT TO A TOUGH NEGOTIATING
BRIEF. ALTHOUGH WILSON SUCCEEDED IN FENDING OFF THEIR
MORE EXTREME DEMANDS, MOST ANTI-MARKETEERS WERE CONVINCED
WHEN THE FEBRUARY ELECTION MANIFESTO APPEARED THAT RE-
NEGOTIATION WOULD FAIL AND THAT EVEN IF IT DID NOT, THE
BRITISH ELECTORATE WOULD ULTIMATELY REJECT MEMBERSHIP.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 LONDON 16524 02 OF 02 181706Z

47

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-03 H-01 INR-05 L-02

NSAE-00 NSC-05 PA-01 RSC-01 PRS-01 SP-02 SS-15

USIA-06 SWF-01 AID-05 CEA-01 COME-00 EB-07 FRB-01

CIEP-01 STR-01 TRSE-00 LAB-04 SIL-01 SAM-01 OMB-01

/079 W

----- 101436

R 181631Z DEC 74

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 6690

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

USMISSION EC BRUSSELS

USMISSION OECD PARIS

AMCONSUL BELFAST
AMCONSUL EDINBURGH
AMCONSUL LIVERPOOL

C O N F I D E N T I A L SECTION 02 OF 02 LONDON 16524

5. WITH THIS IN MIND, IT IS EASY TO UNDERSTAND WHY CALLAGHAN WENT THROUGH THE BIZARRE EXERCISE OF READING THE MANIFESTO INTO THE RECORD AT HIS FIRST MEETING OF EC FOREIGN MINISTERS, AND WHY HE AND WILSON HAVE MADE SUCH A DEMONSTRATION OF THEIR PUTATIVELY SLAVISH ADHERENCE TO THE MANIFESTO AS A SACRED NEGOTIATING BRIEF. (OUR ANALYSIS OF CURRENT STATE OF RENEGOTIATION CONTAINED CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LONDON 16524 02 OF 02 181706Z

SEPTEL.) THEY ARE WORKING THEMSELVES INTO A POSITION WHERE THEY WILL BE ABLE TO PLACE THE ONUS FOR VIOLATING PARTY POLICY AND FOR SPLITTING THE PARTY ONTO THOSE WHO WOULD REJECT THE RESULTS OF THEIR NEGOTIATIONS. THE ANTI-MARKETEERS FEEL, WITH SOME REASON, THAT THEIR SUSPICIONS OF WILSON ARE ALL IN PROCESS OF BEING CONFIRMED.

6. THE PRO-MARKETEERS, OF COURSE, HAVE NEVER TRUSTED WILSON EITHER. THEY DESPISED HIM FOR REPEATEDLY SHIFTING HIS GROUND, AND, IN THEIR VIEW, FOR PUTTING EXPEDIENCY BEFORE PRINCIPLE. THEY ARE TREMENDOUSLY BUCKED BY THE DEVELOPMENTS OF THE LAST TWO WEEKS, BUT SOME OF THEM REMAIN APPREHENSIVE ABOUT WILSON. THEY FEAR HE MAY REVERSE HIS DIRECTION YET AGAIN IF THE ANTI-MARKETEERS CAN GENERATE SUFFICIENT PRESSURE, EXPECIALLY AMONG THE TRADE UNIONS.

7. WE HAVE IN RECENT WEEKS REPORTED THE VIEWS OF VARIOUS KEY TRADE UNION LEADERS, AND WILL BE KEEPING A CLOSE WATCH ON SHIFTS OF ATTITUDES. THUS FAR, THE STRUGGLE WITHIN THE LABOR MOVEMENT (I.E., PARTY AND TRADE UNIONS) HAS BEEN FOUGHT LARGELY IN TERMS OF MAINTAINING UNITY, ADHERING TO AGREED POLICY, AND OTHER RELATIVELY PAROCHIAL CONCERNS. ONCE THE DEBATE BEGINS TO COME TO GRIPS WITH THE ECONOMIC REALITIES OF BRITAIN'S POSITION, HOWEVER, WE WOULD EXPECT MUCH OF THE RESISTANCE TO EC MEMBERSHIP TO WEAKEN. AS THE CHAIRMAN OF THE LEFT-WING TRIBUNE GROUP REMARKED TO A SURPRISED COLLEAGUE LAST WEEK, "IN THE END, WE'LL HAVE TO STAY IN, IF ONLY BECAUSE OF JOBS."

SPIERS

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEMBERSHIP, POLITICAL PARTIES, NEGOTIATIONS, CENTRAL GOVERNMENT
Control Number: n/a
Copy: SINGLE
Draft Date: 18 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: boyleja
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974LONDON16524
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740368-0330
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741226/aaaaawal.tel
Line Count: 222
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: boyleja
Review Comment: n/a
Review Content Flags:
Review Date: 09 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 APR 2002 by boyleja>; APPROVED <25-Sep-2002 by boyleja>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: HAROLD HOUDINI WILSON - EURO-MAN OF THE YEAR SUMMARY - AFTER TYING HIMSELF UP WITH STRONG ANTI-EC
TAGS: PFOR, PINT, UK, EEC, (WILSON, HAROLD HOUDINI)
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005